

TEXAS ETHICS COMMISSION

IN THE MATTER OF

JOHN W. PRICE,

RESPONDENT

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BEFORE THE

TEXAS ETHICS COMMISSION

SC-31410234

ORDER and AGREED RESOLUTION

I. Recitals

The Texas Ethics Commission (Commission) met on June 1, 2016, to consider sworn complaint SC-31410234. A quorum of the Commission was present. The Commission determined that there is credible evidence of violations of sections 254.031, 254.036, and 254.061 of the Election Code and sections 20.59 and 20.61 of the Ethics Commission Rules, laws administered and enforced by the Commission. To resolve and settle this complaint without further proceedings, the Commission proposed this resolution to the respondent.

II. Allegations

The complaint alleged that the respondent: 1) did not properly disclose on multiple campaign finance reports political contributions, political expenditures, and loans; 2) did not report political contributions on multiple campaign finance reports in a format prescribed by the Commission; 3) did not include his campaign treasurer's telephone number on multiple campaign finance reports; and 4) did not properly execute the affidavit on multiple campaign finance reports.

III. Facts Supported by Credible Evidence

Credible evidence available to the Commission supports the following findings of fact:

1. The respondent is the District 3 Commissioner for Dallas County.
2. There are five reports at issue: the respondent's 8-day pre-election report for the November 6, 2012, general election (8-day pre-election report), and the January and July 2013, and the January and July 2014 semiannual reports.

3. In response to the complaint, the respondent acknowledged that he should have included more detail on the forms. The respondent filed corrected reports that corrected most of the reporting errors at issue.

Campaign Treasurer's Telephone Number

4. The complaint alleged that the respondent did not disclose the telephone number of his campaign treasurer on the January and July 2014 semiannual reports. The fields on the cover sheets for "campaign treasurer phone" were left blank on the two campaign finance reports at issue. The respondent corrected the errors.

Format of Report

5. The complaint alleged that the respondent did not file the July 2013 and July 2014 semiannual reports in a format prescribed by the Commission. On the reports at issue, the respondent disclosed his political contributions on a spreadsheet instead of on Schedule A (used to disclose political contributions), as prescribed by the Commission. The respondent corrected the errors. The corrected July 2013 semiannual report disclosed approximately \$50,800 of political contributions on Schedule A, and the corrected July 2014 semiannual report disclosed approximately \$59,690 of political contributions on Schedule A.

Report Affidavits

6. The complaint alleged that affidavits on the respondent's January and July 2014 semiannual reports were not properly executed. The affidavits stated, "Sworn to and subscribed before me, by the said Person." The affidavits should have stated, "Sworn to and subscribed before me, by the said John W. Price." The respondent corrected the errors.

Total Political Contributions of \$50 or Less and Total Political Expenditures of \$100 or Less

7. The complaint alleged that on the cover sheet of the 8-day pre-election report the respondent did not disclose total political contributions of \$50 or less and total political expenditures of \$100 or less. The respondent left the spaces for these amounts blank on the report at issue. The respondent corrected the errors by disclosing \$0 for each total.

Total Political Contributions Maintained

8. The complaint alleged that the respondent did not properly disclose total political contributions maintained on the 8-day pre-election report and the January 2013 and July 2014 semiannual reports.

9. The respondent left the spaces for total political contributions maintained blank on each of the reports at issue.
10. In response to the complaint, the respondent provided copies of his political funds account bank statements. The bank records provided by the respondent show that for the 8-day pre-election report, the correct amount for total political contributions maintained was \$38,265.13. The respondent corrected the 8-day pre-election report to disclose \$52,434.02 for total political contributions maintained. The respondent did not file another corrected report to disclose the correct amount of \$38,265.13.
11. The bank records show that for the January 2013 semiannual report, the correct amount for total political contributions maintained was \$34,895.09. The respondent corrected the error.
12. The bank records show that for the July 2014 semiannual report, the correct amount for total political contributions maintained was \$46,840.18. The respondent corrected the error.

Total Outstanding Loans

13. The complaint alleged that the respondent did not disclose the total principal amount of all outstanding loans on the 8-day pre-election report and January 2013 and July 2014 semiannual reports.
14. The respondent left the space for the amount of total outstanding loans blank on each of the reports at issue. The respondent corrected the reports to disclose \$0 for total outstanding loans.

Itemization of Political Contributions

15. The complaint alleged that on the 8-day pre-election report, the respondent did not itemize political contributions. The report at issue disclosed \$23,110 for total political contributions and left the space for total political contributions of \$50 or less blank. The report included a Schedule A which had the note, "SEE ATTACHED PRINT SHEET" written on it. However, the report did not contain an attached "print sheet."
16. The respondent corrected the report to include 16 pages of Schedule A that disclosed 64 political contributions totaling \$23,105. The respondent did not disclose the amount of one of the itemized political contributions in the corrected report.

Names of Contributors

17. The complaint alleged that the respondent did not disclose the full names of seven contributors making political contributions totaling \$4,900 disclosed on the July 2014 semiannual report.
18. For one contribution of \$2,000, the respondent only disclosed the contributor's first name.
19. For four contributions totaling \$2,700, the respondent disclosed each contributor's first and middle initials and their last name.
20. For two contributions of \$100 each, the respondent disclosed each contributor's first initial and their last name.
21. The respondent corrected the errors.

Addresses of Contributors

22. The complaint alleged that the respondent did not disclose the addresses of four contributors disclosed on the July 2013 semiannual report. On the original report at issue, the respondent left the address field blank for four political contributions totaling \$1,750, each of which exceeded \$50. The respondent corrected the errors.

Names of Payees

23. The complaint alleged that the respondent did not disclose the full names of 18 persons or entities receiving political expenditures totaling approximately \$26,440 disclosed on the July 2013 and January and July 2014 semiannual reports.
24. One of the expenditures at issue was to Friendship West BC for "Sponsorship" in the amount of \$315. Internet research indicates that Friendship West BC is a commonly recognized name/acronym for Friendship West Baptist Church in Dallas, Texas. The address information disclosed by the respondent matches the address for that church.
25. One of the expenditures at issue was to an individual, a musician, for "Event Expense – BD [Birth Day] Event" in the amount of \$500. The respondent disclosed the initial of the individual's first name and the individual's full last name. The respondent disclosed a website for the contributor's address. The address the respondent provided is the website for the individual's music business. The evidence indicates that the individual uses the initial disclosed by the respondent for their first name.

26. Eight of the expenditures at issue are to MMS. Seven of the expenditures at issue are to MSCAS, MScas, or MsCAS. One of the expenditures at issue is to ALW. Internet research does not indicate that any of these acronyms are a commonly recognized acronym. The respondent filed a corrected report to indicate that the expenditures were made to MMS Company, MSCAS LLC, and ALW (Event Company).

Addresses of Payees

27. The complaint alleged that the respondent did not properly disclose the payee addresses of 45 political expenditures totaling approximately \$25,600 on the January and July 2013 and January and July 2014 semiannual reports. Each of the expenditures at issue exceeded \$100 in the aggregate. The respondent did not disclose the complete addresses for the payees of the political expenditures at issue. The respondent did not disclose the zip code for the payee address of 12 expenditures. The respondent only disclosed the street name and number for the payee address of two expenditures. The respondent only disclosed the city, state, and zip code for the payee address of five expenditures. The respondent only disclosed the city and state for the payee address of 22 expenditures. The respondent only disclosed the state for the payee address of one expenditure. The respondent disclosed a website for the payee address of one expenditure. The respondent left the address field blank for two expenditures.
28. On the January 2013 semiannual report, the respondent corrected the addresses of two expenditures, one in the amount of \$792, and one in the amount of \$300. The respondent did not correct the addresses of two expenditures on this report, one in the amount of \$1,212, and one in the amount of \$405.
29. On the July 2013 semiannual report, the respondent corrected the addresses of eight expenditures totaling approximately \$3,560. The respondent did not correct the address of one expenditure in the amount of \$729.45 on this report.
30. On the January 2014 semiannual report, the respondent corrected the addresses of 15 expenditures totaling approximately \$5,730. The respondent did not correct the addresses of three expenditures on this report, one in the amount of \$876.32, one in the amount of \$680.62, and one in the amount of \$1,517.95.
31. On the July 2014 semiannual report, the respondent corrected the addresses of 12 expenditures totaling approximately \$9,800. The respondent did not correct the address of one expenditure on this report in the amount of \$500. The respondent only provided an email address for this payee. On the corrected report, the respondent stated in the address box, "No Address – Contract only details email address – for this performer."

Political Expenditures

32. The complaint alleged that the respondent disclosed an incorrect amount for total political expenditures on the January 2014 semiannual report. The last page of Schedule F (used to disclose political expenditures) of the report at issue is the same as the first page, and thus it appears that the respondent included a duplicate Schedule F page. The expenditures itemized on that page total \$2,215.
33. The respondent corrected the report to delete the duplicated political expenditures. The respondent entered the date of an expenditure and the name of the payee and the purpose of the expenditure, but did not disclose the amount of the expenditure. The respondent corrected the report to disclose the missing amount for the expenditure, which was \$500. The respondent disclosed \$22,704.45 for total political expenditures. The respondent corrected the total political expenditures amount to \$21,864.07. However, the correct amount of total political expenditures based on the information disclosed in the report is \$19,789.18.
34. The respondent has not corrected the total political expenditures amount on the report at issue.

Actual Payee for Credit Card Expenditures

35. The complaint alleged that the respondent did not disclose on each of the five reports at issue the actual vendor payees of a total of 12 political expenditures totaling approximately \$15,970, made to credit card companies.
36. One expenditure was made to American Express for the following amount and purpose:
\$3,098.00 for "Printing Expense Payment" / "Political Mailer 50,000."
37. One expenditure was made to USAA Credit Card for the following amount and purpose:
\$1,212 for "Campaign Expense – Vehicle Gas, Maint."
38. Three expenditures, totaling approximately \$5,840, were made to USAA Credit Corp. They were for the following amounts and purposes:
\$1,270 for "Transportation Related,"
\$1,735.03 for "Campaign Transportation, Equipment Expense," and
\$2,832.15 for "Advertising, Event and Office Expense."

39. Seven expenditures, totaling approximately \$5,820, were made to USAA Saving Bank, USAA Savings Bank, or USAA Savings. They were for the following amounts and purposes:
- \$405.00 for “Transportation Expense – Gas,”
 - \$1,229.25 for “Campaign Travel Expense,”
 - \$729.45 for “Campaign Expense,”
 - \$383.95 for “Campaign Veh Maintenance,”
 - \$876.32 for “Transportation Expense,”
 - \$680.62 for “Travel, Gas, Expense,” and
 - \$1,517.95 for “Awards, Transportation Travel Expenses.”
40. The respondent did not identify the vendors who received payment from the credit card companies. The respondent corrected some of the errors.

Actual Payee for Reimbursement Expenditures

41. The complaint alleged that the respondent did not disclose the actual vendor payees for political expenditures made as reimbursements. The 10 expenditures at issue total approximately \$3,010 and were made to six individuals. The political expenditures at issue were disclosed on the July 2013, and January and July 2014 semiannual reports. The respondent did not respond to this allegation. The reports do not state that the purposes of the expenditures were to reimburse the individuals for making political expenditures for the respondent. The purposes of the expenditures at issue included descriptions such as “Campaign Vehicle Maintenance,” “Photographs,” “Funeral Resolution Framing,” “Event Expense,” “Memorial Expense Framing,” “Caterer – Staff Appreciation Lunch,” “Transportation Expense,” and “KwanzaaFest Photos.”

Purpose of Political Expenditures

42. The complaint alleged that the respondent did not properly disclose the purpose of 147 political expenditures totaling approximately \$103,270 on the respondent’s January and July 2013, and January and July 2014 semiannual reports.
43. For two political expenditures disclosed on the January 2014 semiannual report, the respondent provided a purpose category of “Contribution” and a purpose description of “Dallas ISD Trustee.”
44. For all of the other political expenditures disclosed on the respondent’s reports at issue (the 147 expenditures at issue), the respondent left the purpose description blank. For one expenditure of \$215 disclosed on the January 2014 semiannual report, the respondent did not disclose a purpose category or a purpose description.

45. The respondent corrected the errors.

IV. Findings and Conclusions of Law

The facts described in Section III support the following findings and conclusions of law:

Campaign Treasurer's Telephone Number

1. Each report by a candidate must include the campaign treasurer's name, residence or business street address, and telephone number. ELEC. CODE § 254.061(2).
2. The respondent did not disclose his campaign treasurer's telephone number on two campaign finance reports. The respondent included the campaign treasurer's telephone number on his other reports. The fact that the respondent did not include the campaign treasurer's telephone number on these two reports did not substantially affect disclosure. Therefore, there is credible evidence of technical or *de minimis* violations of section 254.061(2) of the Election Code. The respondent corrected the errors.

Format of Report

3. Each report filed under this chapter with an authority other than the Commission must be in a format prescribed by the Commission. ELEC. CODE § 254.036(a).
4. The respondent did not file the two reports at issue in the format prescribed by the Commission. Therefore, there is credible evidence of violations of section 254.036(a) of the Election Code. The respondent corrected the errors. The corrected July 2013 semiannual report disclosed approximately \$50,800 of political contributions on Schedule A, and the corrected July 2014 semiannual report disclosed approximately \$59,690 of political contributions on Schedule A.

Report Affidavits

5. Each report filed under this chapter with an authority other than the Commission must be in a format prescribed by the Commission. ELEC. CODE § 254.036(a).
6. Each report filed under this chapter that is not filed by electronic transfer must be accompanied by an affidavit executed by the person required to file the report. The affidavit must contain the statement: "I swear, or affirm, under penalty of perjury, that the accompanying report is true and correct and includes all information required to be reported by me under Title 15, Election Code." Each report filed under this chapter by electronic transfer must be under oath by the person required to file the report and must contain, in

compliance with Commission specifications, the digitized signature of the person required to file the report. A report filed under this chapter is considered to be under oath by the person required to file the report, and the person is subject to prosecution under Chapter 37, Penal Code, regardless of the absence of or a defect in the affidavit. *Id.* § 254.036(h).

7. The affidavits on the campaign finance reports contained the signature of the notary, the notary's printed name, and the notary's title on the bottom line of the affidavit section. In the section reading, "Sworn to and subscribed before me, by the said _____, this ____ day of _____, 20____, to certify which, witness my hand and seal of office," the respondent's name and the date on which his report was notarized should have been entered. Although the respondent's name did not appear in the notary section, the respondent still signed the report and swore that the information was true and correct. Moreover, the evidence indicates that the respondent signed the report before a notary public. The defect in the affidavit was not material. Therefore, there is credible evidence of a technical or *de minimis* violation of section 254.036(h) of the Election Code. The respondent corrected the errors.

Total Political Contributions of \$50 or Less / Total Political Expenditures of \$100 or Less

8. Each campaign finance report must include the total amount or a specific listing of the political contributions of \$50 or less accepted and the total amount or a specific listing of the political expenditures of \$100 or less made during the reporting period. ELEC. CODE § 254.031(a)(5).
9. The respondent left the spaces for total political contributions of \$50 or less and total political expenditures of \$100 or less blank on the report at issue. Therefore, there is credible evidence of violations of section 254.031(a)(5) of the Election Code. The respondent corrected the errors.

Total Political Contributions Maintained

10. Each report must include as of the last day of the reporting period, the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period. ELEC. CODE § 254.031(a)(8).
11. The total amount of political contributions maintained in one or more accounts includes balance on deposit in banks, savings and loan institutions and other depository institutions, and the present value of any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks, bonds, treasury bills, etc. Ethics Commission Rules § 20.50(a).

12. The evidence indicates that the respondent did not properly disclose total political contributions maintained for three of the reports at issue. The total of political contributions maintained that was not disclosed on the three reports at issue was approximately \$120,000. Therefore, there is credible evidence of violations of section 254.031(a)(8) of the Election Code with respect to three of the reports at issue. The bank records provided by the respondent show that for the 8-day pre-election report, the correct amount for total political contributions maintained was \$38,265.13. The respondent corrected the 8-day pre-election report to disclose \$52,434.02 for total political contributions maintained. The respondent did not correct the corrected report to disclose the correct amount of \$38,265.13. The respondent corrected the errors on the January 2013 and July 2014 semiannual reports.

Total Outstanding Loans

13. Each campaign finance report must include the amount of loans that are made during the reporting period for campaign or officeholder purposes to the person or committee required to file the report and that in the aggregate exceed \$50, the dates the loans are made, the interest rate, the maturity date, the type of collateral for the loans, if any, the full name and address of the person or financial institution making the loans, the full name and address, principal occupation, and name of the employer of each guarantor of the loans, the amount of the loans guaranteed by each guarantor, and the aggregate principal amount of all outstanding loans as of the last day of the reporting period. ELEC. CODE § 254.031(a)(2).
14. The respondent left the space for the amount of total outstanding loans blank on each of the reports at issue. It is clear from the face of the reports that the respondent did not have any outstanding loans on the reports at issue. The respondent was required to disclose \$0 in the spaces for total outstanding loans on each of the reports at issue, instead of leaving the spaces blank. In context, the fact that the respondent did not disclose that his total outstanding loans was \$0 did not substantially affect disclosure. Therefore, there is credible evidence of technical or *de minimis* violations of section 254.031(a)(2) of the Election Code. The respondent corrected the errors.

Itemization of Political Contributions

15. Each report must include the amount of political contributions from each person that in the aggregate exceed \$50, the full name and address of the person making the contributions, and the dates of the contributions. ELEC. CODE § 254.031(a)(1).
16. It appears that the respondent forgot to attach the print sheet to the report at issue. Additionally, the respondent was required to disclose on Schedule A the political contributions that apparently were itemized on the print sheet, which totaled approximately \$23,110. Therefore, there is credible evidence of a violation of section 254.031(a)(1) of the Election Code. The respondent corrected the error.

Names of Contributors

17. A campaign finance report must include the amount of political contributions that in the aggregate exceed \$50 and that are accepted during the reporting period by the person or committee required to file a report under this chapter, the full name and address of the person making the contributions, and the dates of the contributions. ELEC. CODE § 254.031(a)(1).
18. All of the contributions at issue exceeded \$50 in the aggregate. Thus, the respondent was required to provide the full name of each contributor. Regarding the \$2,000 contribution, the respondent did not disclose the last name of the contributor. Therefore, there is credible evidence of a violation of section 254.031(a)(1) of the Election Code. Regarding the remaining six contributions totaling \$2,900, the respondent did not disclose the complete first names of the contributors. Therefore, there is credible evidence of violations of section 254.031(a)(1) of the Election Code. The respondent corrected the errors.

Addresses of Contributors

19. Except as otherwise provided by this chapter, each report under this chapter must include the amount of political contributions from each person that in the aggregate exceed \$50 and that are accepted during the reporting period by the person or committee required to file a report under this chapter, the full name and address of the person making the contributions, and the dates of the contributions. ELEC. CODE § 254.031(a)(1).
20. The respondent did not disclose an address for the four contributors at issue who made political contributions totaling \$1,750. Therefore, there is credible evidence of violations of section 254.031(a)(1) of the Election Code. The respondent corrected the errors.

Names of Payees

21. A campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom political expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
22. Regarding the \$315 expenditure to Friendship West BC, the evidence indicates that Friendship West BC is a commonly recognized name/acronym for the payee, Friendship West Baptist Church. Therefore, there is credible evidence of no violation of section 254.031(a)(3) of the Election Code with regard to this expenditure.
23. Regarding the \$500 expenditure to the individual, the evidence indicates that the name disclosed by the respondent is the name by which the payee is identified, and thus the

disclosure substantially complies. Therefore, there is credible evidence of no violation of section 254.031(a)(3) of the Election Code with regard to this expenditure.

24. Regarding the remaining 16 expenditures totaling approximately \$25,630, to MMS, MSCAS, MScas, MsCAS, and ALW, Internet research does not indicate that any of these acronyms are a commonly recognized acronym. The respondent did not properly disclose the payees' names. Therefore, there is credible evidence of violations of section 254.031(a)(3) of the Election Code with regard to these expenditures. The respondent corrected the errors.

Addresses of Payees

25. Except as otherwise provided by this chapter, each report under this chapter must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
26. The respondent did not disclose the complete addresses of 45 payees of political expenditures totaling approximately \$25,600, each of which exceeded \$100 in the aggregate. Therefore, there is credible evidence of violations of section 254.031(a)(3) of the Election Code. On the January 2013 semiannual report, the respondent did not correct the addresses of two expenditures, one in the amount of \$1,212, and one in the amount of \$405. On the July 2013 semiannual report, the respondent did not correct the address of one expenditure in the amount of \$729.45. On the January 2014 semiannual report, the respondent did not correct the addresses of three expenditures, one in the amount of \$876.32, one in the amount of \$680.62, and one in the amount of \$1,517.95. On the July 2014 semiannual report, the respondent did not correct the address of one expenditure in the amount of \$500. The respondent only provided an email address for this payee. On the corrected report, the respondent stated in the address box, "No Address – Contract only details email address – for this performer."

Political Expenditures

27. Each report must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
28. Each report must include the total amount of all political contributions accepted and the total amount of all political expenditures made during the reporting period. *Id.* § 254.031(a)(6).
29. The respondent did not properly disclose the total political expenditures amount on the report at issue. The respondent duplicated expenditures totaling \$2,215 on Schedule F, and did not

disclose the amount of a \$500 expenditure on the original filing of the report at issue. The respondent corrected the report to delete the duplicated political expenditures and to disclose the missing amount for an expenditure which was \$500. The respondent disclosed \$22,704.45 for total political expenditures on the original report. The respondent corrected the total political expenditures amount to \$21,864.07. However, the correct amount of total political expenditures based on the information disclosed on the report is \$19,789.18. Therefore, there is credible evidence of violations of sections 254.031(a)(3) and 254.031(a)(6) of the Election Code.

Actual Payee for Credit Card Expenditures

30. A campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom political expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
31. At the time at issue, Ethics Commission Rules section 20.59 stated: A report of a political expenditure by credit card must identify the vendor who receives payment from the card company.
32. The respondent did not identify the vendors who received payment from the credit card companies. Therefore, there is credible evidence of violations of section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules with regard to the 12 political expenditures at issue totaling approximately \$15,970. The respondent corrected some of the errors.

Actual Payee for Reimbursement Expenditures

33. A campaign finance report must include, for all political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom political expenditures are made and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
34. Ethics Commission Rules section 20.62 states that political expenditures made out of personal funds by a staff member of an officeholder, a candidate, or a political committee, with the intent to seek reimbursement from the officeholder, candidate, or political committee, that in the aggregate do not exceed \$5,000 during the reporting period may be reported as follows if the reimbursement occurs during the same reporting period that the initial expenditure was made:

- (1) the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made and the dates and purposes of the expenditures; and
 - (2) included with the total amount or a specific listing of the political expenditures of \$100 or less made during the reporting period.
35. It appears that the expenditures at issue were made directly to the individuals for their personal services, however, the evidence is not conclusive. There is insufficient evidence of a violation of section 254.031(a)(3) of the Election Code and section 20.62 of the Ethics Commission Rules.

Purpose of Political Expenditures

36. A campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom political expenditures are made, and the dates and purposes of the expenditures. ELEC. CODE § 254.031(a)(3).
37. The purpose of an expenditure means a description of goods, services, or other thing of value and must include a brief statement or description of the candidate, officeholder, or political committee activity that is conducted by making the expenditure. The brief statement or description must include the item or service purchased and must be sufficiently specific, when considered within the context of the description of the category, to make the reason for the expenditure clear. Merely disclosing the category of goods, services, or other thing of value for which the expenditure is made does not adequately describe the purpose of an expenditure. Ethics Commission Rules § 20.61.
38. The respondent did not disclose a purpose description for the 147 political expenditures at issue and also did not disclose a purpose category for one of these expenditures in the amount of \$215. Therefore, there is credible evidence of violations of section 254.031(a)(3) of the Election Code and section 20.61 of the Ethics Commission Rules. The respondent corrected the errors.

V. Representations and Agreement by Respondent

By signing this order and agreed resolution and returning it to the Commission:

1. The respondent neither admits nor denies the facts described under Section III or the Commission's findings and conclusions of law described under Section IV, and consents to the entry of this order and agreed resolution solely for the purpose of resolving this sworn complaint.

2. The respondent consents to this order and agreed resolution and waives any right to further proceedings in this matter.
3. The respondent acknowledges that: 1) each report by a candidate must include the campaign treasurer's name, residence or business street address, and telephone number; 2) each report filed with an authority other than the Commission must be in a format prescribed by the Commission; 3) each campaign finance report must include the total amount or a specific listing of the political contributions of \$50 or less accepted and the total amount or a specific listing of the political expenditures of \$100 or less made during the reporting period; 4) each report must include as of the last day of the reporting period, the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period; 5) each campaign finance report must include the amount of loans that are made during the reporting period for campaign or officeholder purposes to the person or committee required to file the report and that in the aggregate exceed \$50, the dates the loans are made, the interest rate, the maturity date, the type of collateral for the loans, if any, the full name and address of the person or financial institution making the loans, the full name and address, principal occupation, and name of the employer of each guarantor of the loans, the amount of the loans guaranteed by each guarantor, and the aggregate principal amount of all outstanding loans as of the last day of the reporting period; 6) each report must include the amount of political contributions from each person that in the aggregate exceed \$50, the full name and address of the person making the contributions, and the dates of the contributions; 7) a campaign finance report must include the amount of political expenditures that in the aggregate exceed \$100 and that are made during the reporting period, the full name and address of the persons to whom political expenditures are made, and the dates and purposes of the expenditures; 8) a report of an expenditure charged to a credit card must be disclosed on the Expenditures Made to Credit Card Schedule and identify the vendor who receives payment from the credit card company; 9) a report of a payment to a credit card company must be disclosed on the appropriate disbursements schedule and identify the credit card company receiving the payment; and 10) the purpose of an expenditure means a description of goods, services, or other thing of value and must include a brief statement or description of the candidate, officeholder, or political committee activity that is conducted by making the expenditure. The brief statement or description must include the item or service purchased and must be sufficiently specific, when considered within the context of the description of the category, to make the reason for the expenditure clear. Merely disclosing the category of goods, services, or other thing of value for which the expenditure is made does not adequately describe the purpose of an expenditure. The respondent agrees to comply with these requirements of the law.

VI. Confidentiality

This order and agreed resolution describes certain violations that the Commission has determined are neither technical nor *de minimis*. Accordingly, this order and agreed resolution is not confidential

under section 571.140 of the Government Code and may be disclosed by members and staff of the Commission.

VII. Sanction

After considering the nature, circumstances, and consequences of the violations described under Sections III and IV, and after considering the sanction necessary to deter future violations, the Commission imposes a \$3,400 civil penalty.

VIII. Order

The Commission hereby orders that if the respondent consents to the proposed resolution, this order and agreed resolution is a final and complete resolution of SC-31410234.

AGREED to by the respondent on this _____ day of _____, 20__.

John W. Price, Respondent

EXECUTED ORIGINAL received by the Commission on: _____.

Texas Ethics Commission

By: _____
Seana Willing, Executive Director